

Categories of Services for 214 Applications
(Streamline/Non-streamline)

ITC-214-19981023-00745

- ☐ ASSIGNMENT OF LICENSE
- ☐ GLOBAL FACILITIES-BASED SERVICE
- ☒ GLOBAL FACILITIES-BASED/GLOBAL RESALE SERVICE
- ☐ GLOBAL RESALE SERVICE
- ☐ INDIVIDUAL FACILITIES-BASED SERVICE
- ☐ INTERCONNECTED PRIVATE LINE RESALE SERVICE
- ☐ LIMITED GLOBAL FACILITIES-BASED SERVICE/LIMITED GLOBAL RESALE SERVICE
- ☐ LIMITED GLOBAL FACILITIES-BASED SERVICE
- ☐ LIMITED GLOBAL RESALE SERVICE
- ☐ INMARSAT AND MOBILE SATELLITE SERVICE
- ☐ SWITCHED RESALE SERVICE
- ☐ TRANSFER OF CONTROL
- ☐ SUBMARINE CABLE LANDING LICENSE
- ☐ INTERNATIONAL SPECIAL PROJECT

Description of Application:

Agree to be regulated
as domestic or US-Canada route

FB 1

FCC/MELLON SEP 28 1998

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of
MTS COMMUNICATIONS INC.

Application for Global Authority pursuant to
Section 214 of the Communications Act of 1934,
as amended, to Operate as an
International Facilities-based and Resale Carrier
between the United States and
Various International Points

FCC/MELLON OCT 23 1998

File No.

ITC-214-19981023-00745

APPLICATION

MTS Communications Inc. ("MTS"), hereby requests global authority, under
Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. s. 214, and
Section 63.18 of the Commission's Rules, 47 C.F.R. s. 63.18 (1996), to provide
international telecommunications services between the United States and international
points other than those excluded by the Commission's Exclusion List. This application is
eligible for streamlined processing.

I. The Proposed International Services

MTS requests four types of authority in this application, all of which are eligible
for streamlined processing.¹ MTS specifically requests:

- (a) global facilities-based authority pursuant to Section 63.18 of the
Commission's Rules, 47 C.F.R. s. 63.18(e)(1), to acquire interests in half-
circuits in U.S.-authorized facilities as well as necessary connecting

¹ See *Streamlining the International 214 Authorization Process and Tariff*, IB Docket No. 95-118, FCC
96-79 (released March 13, 1996) (adopting streamlined 35-day processing procedures for certain
international resale applications) ("Streamlining Order"); 47 C.F.R. s. 63.12 (1996).

facilities to provide international telecommunications services between the United States and all international points except those countries that appear on the Exclusion List;²

- (b) global authority pursuant to Section 63.18(e)(2) of the Commission's Rules, 47 C.F.R. s. 63.18(e)(2), to resell the international switched services of all U.S.-authorized carriers, other than those affiliated carriers with market power or regulated as dominant on a particular route, to provide international switched services between the United States and all international points served by those carriers except those countries that appear on the Exclusion List;

- (c) global authority pursuant to Section 63.18(e)(2)(A) of the Commission's Rules, 47 C.F.R. s. 63.18(e)(2)(A), to resell international private lines to provide international non-interconnected private line services between the United States and all international points except those countries that appear on the Exclusion List; and

- (d) authority pursuant to Section 63.18(e)(2)(B) of the Commission's Rules, 47 C.F.R. s. 63.18(e)(2)(B), to resell international private lines interconnected to the public switched network ("PSN") at one or both ends to provide international switched services between the United States and all countries found by the FCC to offer equivalent resale opportunities

² MTS seeks only authority to own circuits on facilities that do not appear on the Exclusion List.

to U.S. carriers, currently including Canada, the United Kingdom, Sweden and New Zealand.³

As MTS does not seek authority to serve countries or use facilities on the Exclusion List, and has no affiliation within the meaning of Section 63.18(h)(1)(i) with a facilities-based foreign carrier in a destination market, MTS's application for authority pursuant to Section 214 is eligible for streamlined processing.

If required by the Commission, MTS will report its acquisitions of interests in facilities including earth stations, channels of communications to satellites, and submarine cables in its circuit addition reports filed under Section 43.82 of the Commission's Rules, 47 C.F.R. s. 43.82, and will also report its traffic and revenue for international service in accordance with Section 43.61 of the Commission's Rules, 47 C.F.R. s. 43.61.

MTS believes that the added competition its entry will bring to the market will benefit the consumers of telecommunications services. These benefits include competitive pricing and increased availability of variety of service options. A grant of this application, therefore, will further the public interest. Moreover, grant of this application is consistent with the U.S. World Trade Organization commitment to open its basic telecommunications markets to competition.

³ Pursuant to the Streamlining Order, the Commission will automatically amend Section 214 authorizations to resell international private lines to provide international switched services between the United States and countries that afford U.S. carriers equivalent resale opportunities to add all additional countries found to meet the equivalent resale opportunities standard.

II. The Applicant

MTS is a Canadian company incorporated under the laws of the Province of Manitoba, Canada, and is organized to provide telecommunications services to business, residence and wholesale customers. MTS is not affiliated, as that term is defined by Part 63 of the Commission's Rules, with any dominant U.S. carriers whose international services MTS will resell. MTS is not affiliated, within the meaning of Section 63.18(h)(1)(i), 47 C.F.R. s. 63.18(h)(1)(i) of the Commission's Rules, with any foreign carriers. MTS, therefore, should be classified as a non-dominant carrier for the provision of the services for which authority is requested in this application. Thus, MTS's application is eligible for streamlined processing.

III. Public Interest Considerations

In *Market Entry and Regulation of Foreign-affiliated Entities, Report & Order*,¹¹ FCC Rcd 3873 (1995), the Commission outlined the following policy goals for its regulation of the U.S. international telecommunications market: to promote effective competition in the U.S. telecommunications market, particularly the market for international telecommunications services; to prevent anticompetitive conduct in the provision of international services or facilities; and to encourage foreign governments to open their communications markets. The Commission also stated that "establishing an effectively competitive global communications market could result in reduced rates, increased quality, and new innovative services." In addition, the Commission found that "effective competition directly advances the public interest and the Commission's

paramount goal of making available a rapid, efficient, worldwide wire and radio communications service with adequate facilities at reasonable charges.”

The grant of MTS's request for facilities-based and resale authority to provide international services as requested in this Application will directly further the Commission's policies of bringing increased competition to the U.S. international telecommunications services market and, therefore, is in the public interest.

IV. Section 63.18 Information

The following information is submitted, as required by Section 63.18 of the Commission's Rules, in support of MTS's request for authorization:

- (a) MTS Communications Inc.
P.O. Box 6666
489 Empress Street
Winnipeg, Manitoba R3C 3V6
Canada
Telephone No.: (204) 941-7301
- (b) MTS is a corporation organized under the laws of the Province of Manitoba, Canada.
- (c) Correspondence concerning this application should be sent to:

Mr. Brian Drury
Carrier Services Manager
MTS Communications Inc.
P.O. Box 6666
Room G700F - 191 Pioneer Avenue
Winnipeg, Manitoba R3C 3V6
Canada
Telephone No.: (204) 941-6301
- (d) MTS has not previously received authority under Section 214 of the Communications Act, of 1934, as amended.
- (e) MTS requests global facilities-based and resale Section 214 authority pursuant to the terms and conditions of Section 63.18(e)(1) and (e)(2) of the Commission's Rules, 47 C.F.R.

(f) MTS seeks no other authorization available under Section 63.18(e) other than as specified in this Application.

(g) Not applicable.

(h) MTS certifies that it is not affiliated with any foreign carrier or U.S. facilities-based carrier as defined in Section 63.18(h)(1)(i) of the Commission's Rules, 47 C.F.R. In support of this certification, the following information is provided in respect of MTS and its sole shareholder:

MTS Communications Inc.

Shareholder: Manitoba Telecom Services Inc. (100%)

Address: P.O. Box 6666
489 Empress Street
Winnipeg, Manitoba R3C 3V6
Canada

Principal Business: Telecommunications services

Directors:

Thomas E. Stefanson, Chairman
Robert M. Chipman
Jocelyne M. Côté-O'Hara
N. Ashleigh Everett
John F. Fraser, O.C.
William C. Fraser
Raymond L. McFeetors
C. Arnold L. Morberg
Donald H. Penny, F.C.A.
Arthur R. Sawchuk
D. Samuel Schellenberg

Officers:

William C. Fraser, President & Chief Executive Officer
William F. Baines, President & Chief Operating Officer
Peter J. Falk, Corporate Secretary

Manitoba Telecom Services Inc.

Shareholders: Publicly traded company

Address: P.O. Box 6666
489 Empress Street
Winnipeg, Manitoba R3C 3V6
Canada

Principal Business: Telecommunications and related services

Directors:

Thomas E. Stefanson, Chairman
Robert M. Chipman
Jocelyne M. Côté-O'Hara
N. Ashleigh Everett
John F. Fraser, O.C.

William C. Fraser
Raymond L. McFeetors
C. Arnold L. Morberg
Donald H. Penny, F.C.A.
Arthur R. Sawchuk
D. Samuel Schellenberg

Officers: Thomas E. Stefanson, Chairman

William C. Fraser, President & Chief Executive Officer

Cheryl Barker, Vice President Finance &
Chief Financial Officer

Peter J. Falk, Executive Vice President Business
Development, General Counsel & Corporate Secretary

William F. Baines, President & Chief Operating Officer,
MTS Communications Inc.

Bruce G. MacCormack, President & Chief Operating
Officer, MTS Advanced Inc.

Roger H. Ballance, Executive Vice President Strategic
Planning

Wayne S. Denkey, Corporate Controller

Patricia A. Solman, Treasurer

- (i) MTS certifies that it has not agreed and will not agree in the future to accept any direct or indirect special concessions from any foreign carrier or administration with respect to traffic or revenue flows between the United States and any foreign countries which MTS may serve under the authority granted under Part 63 of the Commission's Rules.

- (j) MTS certifies that no party to this application has been denied federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

V. Conclusion

The Commission's grant of authority to MTS to provide global international facilities-based and resale services between the United States and international points will serve the public interest, convenience and necessity by promoting competition in the international market. Competition will benefit U.S. consumers by increasing service options and lowering prices. Thus, the public interest will be served by the grant of Section 214 authority to MTS. For these reasons, MTS respectfully requests that the Commission grant this application.

Respectfully submitted,

MTS COMMUNICATIONS INC.

Per



Mr. William F. Baines

President & Chief Operating Officer

MTS Communications Inc.

P.O. Box 6666

489 Empress Street

Winnipeg, Manitoba R3C 3V6

Canada

Telephone No.: (204) 941-8585

Date: September 14, 1998

CERTIFICATION OF APPLICANT

On behalf of MTS Communications Inc., I hereby certify that:

1. MTS Communications Inc. is not affiliated with any foreign carrier or U.S. facilities-based carrier as defined in Section 63.18(h)(1)(i) of the Commission's Rules, 47 C.F.R.
2. In accordance with Section 1.2001 to 1.2003 of the Commission's Rules, 47 C.F.R. s. 1.2001-1.2003, no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. (See 21 U.S.C. s. 853a).
3. MTS Communications inc., has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.
4. The statements in the foregoing Application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

MTS COMMUNICATIONS INC.

Pet: 

Name: William F. Baines

Title: President & Chief Operating Officer

Date: September 14, 1998



VIA FACSIMILE

November 3, 1998

Fran Eisenstein
Federal Communications Commission
IB Telecommunications Division
P.O. Box 358115
Pittsburgh, PA 15251-5115
USA

Subject: Concurrence to be regulated as a Dominant Carrier

Dear Fran;

As per our discussion on November 3, I am advising you that MTS Communications Inc. ("MTS") is a Canadian Local Exchange Carrier. MTS agrees to be regulated as a dominant carrier on the Canada - USA route.

We request that our application be **streamlined**.

Should you have any questions or require any additional information, please contact me at (204)941-6301.

Thank you in advance for streamlined processing of our application.

Respectfully Yours

A handwritten signature in dark ink, appearing to read "Beata Kozlowski", is written over a horizontal line.

Beata Kozlowski
for Brian Drury
Carrier Services Manager



Carrier Services Group
MTS Communications Inc.
PO Box 6666
Rm G700F, 7th Floor
191 Pioneer Avenue
Winnipeg, Manitoba R3C 3V6

MTS Pan Am Service
Winnipeg 99

Official Partner

Fax: (204) 942-0140